Paul Baker Utah Division of Oil, Gas, & Mining (DOGM) 1594 West North Temple Suite 1210 Salt Lake City, UT 84114-5801

Rebecca Doolittle
Bureau of Land Management BLM
Moab Field Office (UT060)
82 East Dogwood, Suite M
Moab, UT 84532

August 8, 2013

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DIV. OF OIL, GAS & MINING

Re: Proposed Revision - Lisbon Valley Waste Rock Sampling Plan Lisbon Valley Mining Co LLC 920 South County Road 313 La Sal, Utah, 84530, DOGM Permit M/037/088

Dear Paul and Rebecca,

The Lisbon Valley Mining Co LLC (LVMC) respectfully requests approval to revise the Waste Rock Sampling Plan (The Sampling Plan)¹. Our request is based on the 2012 review of LVMC waste rock sampling and reporting procedures. This review included DOGM staff Tom Munson and Peter Brinton. BLM staff included Rebecca Doolittle. The constructive results of this review are documented in our current 2012 Waste Rock Report.

Up to this time, both blast hole samples and bulk composite samples have been collected in accordance with the Sampling Plan. Moving forward, LVMC requests to collect and analyze bulk composite samples only for the following reasons:

➢ Blast hole samples can be composites of multiple beds when the (22') borehole spans a lithologic bed boundary. This is a problem when the objective is to characterize individual beds. Blast hole samples and bulk composites are collected from different locations and analyzed by different methods. Blast samples are analyzed for total sulfur

¹ LVMC 2005 Waste Rock Sampling Plan. Lisbon Valley Mining Company LLC. 20 December 2005

- and CaCo3. Bulk samples are analyzed by Meteoric Water Mobility Procedure (MWMP). This is an unnecessary variable.
- ➢ Blast hole sampling locations cannot be "standardized" as proposed in the Final Environmental Impact Statement.² LVMC has attempted to describe blast hole sampling limitations in all of its submittals. Bulk samples can be split for all three (MWMP, sulfur and CaCO3) analyses and analyzed at a third party (non-LVMC) laboratory. This is a more efficient use of labor and provides a more comprehensive bed-specific analysis.
- ➤ Therefore, LVMC requests a sampling modification to collect only bulk composite samples moving forward.

LVMC has prepared a revised Sampling Plan for BLM and DOGM review. Please see Attachment 1. We believe that the revisions we are proposing will both simplify our sampling procedures and provide a higher level of bed specific accuracy for our Acid Based Accounting program.

Sincerely,

Ken Ezpeleta

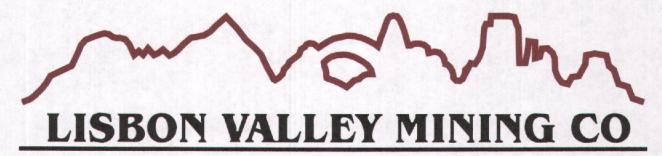
Environmental Technician Lisbon Valley Mining Co LLC

435 686 9950 #126

Kezpeleta@lisbonmine.com

² USBLM 1997 Lisbon Valley Copper Project Final Environmental Impact Statement February 1997

Attachment 1 Waste Rock Sampling Plan



Waste Rock Sampling Plan

Revision 2

Dated: 4/3/2013

Background

As part of its Mitigation and Monitoring Plan, the Lisbon Valley Mining Co (LVMC) is required to characterize, segregate, and encapsulate waste rock with acid generation potential. This requirement is mandated by the Bureau of Land Management (BLM) in accordance with the 1997 Environmental Impact Statement (EIS) and Record of Decision (ROD).

In 1997, Summo USA demonstrated that the bulk of the waste rock generated by the Lisbon Valley Mine will be strongly acid neutralizing. Approximately 10% of the waste is expected to have acid generation potential. As part of its Mitigation and Monitoring Plan, Summo USA developed a Waste Rock Sampling Plan (the 1997 Sampling Plan).²

Objectives

This Waste Rock Sampling Plan (the Plan) updates the 1997 Sampling Plan (the 1997 Plan). The primary objective is to identify protocols suitable to characterize, handle, encapsulate, and document the placement of AGP waste rock in waste rock piles. The Plan details the following protocols:

- Waste rock types.
- Waste rock sampling locations.
- Waste rock sampling and analytical protocols.
- Waste dump as-built mapping.
- Pit bench as-built mapping.
- Annual reporting.

¹ US Bureau of Land Management 1997a. Record of Decision Environmental Impact Statement Lisbon Valley Copper Project. 26 March 1997

² US Bureau of Land Management 1997. Final Environmental Impact Statement Lisbon Valley Copper Project. Attachment 2 Geochemical (Waste Rock) Sampling Plan. February 1997

Waste Rock Types

Seven waste rock types have been identified at the mine. Each rock type is correlated below with bed number and acid/base characteristics.

Rock Type (RT) Designation	Rock Type	Bed Number	Acid/base Characteristic ANP	
RT1	Quaternary Alluvium	1		
RT2	Mancos Shale	2	ANP	
RT3	Dakota Sandstone	3-5	ANP	
RT4	Dakota Sandstone	6-8	AGP	
RT5	Dakota Siltstone	9-10	AGP	
RT6	Dakota Sandstone	11-13	ANP	
RT7 Burro Canyon		14-15	ANP	

Waste Rock Sampling Locations

LVMC will collect waste rock samples of each rock type mined. Those samples will be taken every month from the location being mined at that time. A sampling record will be taken with each sample; including Sample ID, date, time, sampler(s), and coordinates.

The objective here is to provide a high level of bed specific accuracy for our Acid Based Accounting (ABA) program. An accurate bed specific ABA program leads to an accurate AGP waste handling program.

Waste Rock Sampling and Analytical Protocols

On a quarterly basis LVMC will composite samples of each rock type mined from each pit to determine acid neutralization potential (ANP), acid generation potential (AGP), Net Neutralization Potential (NNP) and the dissolution mobility of metals. Those samples will be shipped to a third party (non-LVMC) laboratory. Each sample will then be split into three independent samples for the three tests MWMP (antimony, arsenic, uranium, cadmium, copper, molybdenum, selenium, and zinc), Total Sulfur and % CaCO3 (as defined in the ROD).

The LVMC will document the analytical results of waste rock sampling in a database. The database will document the sample location, elevation, sampling date, rock type, and analytical result. The database will identify the samples used for quarterly ABA analysis, and relate the results.

Waste Dump As-Built Mapping

The waste rock sampling results will be used to ensure that AGP waste rock is placed near the center of waste dumps and encapsulated with ANP waste rock. The LVMC will produce an asbuilt map of each waste dump documenting the location and extent of each ANP and AGP rock type. Each map will be drafted in layers, with each layer representing 12 months of waste emplacement. The as-built waste dump maps will be included in the annual report.

Pit Bench As-Built Mapping

The LVMC will plot the location, thickness, and elevation of each AGP and ANP rock type on the as-built pit bench geologic map. The map will be updated quarterly, and merged with the annual report.

Annual Reporting

The waste rock sampling activities and results will be summarized in an annual report and submitted to the Bureau of Land Management (BLM) and Utah Division of Oil, Gas, and Mining. A copy of the analytical database, as-built waste dump map, and pit bench maps will also be included.

Please call Lantz Indergard at (435) 686-9950 #107 or Ken Ezpeleta at (435) 686-9950 #126 if you have any questions regarding this Plan.

Attachment 2 MR-REV Form

Application to Revise a Notice of Intention to Commence Small Mining Operations or Exploration

Operato	r. Lisbo	n Vall	ley Minery Co. LLC
Mine Na	Lisbon	Valley	Mine File Number: E or M/037 1086
all maps	a detailed listing of and drawings that numbers as part	at are to be a	es to the Notice that will be required as a result of this change. Individually list added, replaced, or removed from the Notice. Include page, section and iption.
		DETAIL	ED SCHEDULE OF CHANGES TO THE NOTICE
			Description of map, text, or materials to be changed
ADD	REPLACE	REMOVE	Waste Rock Sampling Plan
ADD	REPLACE	REMOVE	
reference	on is true and content to commitment to commitment to commitment to commitment to content to conten	orrect to the	ble official of the applicant and that the information contained in this e best of my information and belief in all respects with the laws of Utah in gations, herein. Compared to the applicant and that the information contained in this e best of my information and belief in all respects with the laws of Utah in gations, herein. Compared to the applicant and that the information contained in this e best of my information and belief in all respects with the laws of Utah in gations, herein. Compared to the applicant and that the information contained in this ebest of my information and belief in all respects with the laws of Utah in gations, herein.
	State of Utah Division of Oil, Attn: Minerals		

Box 145801

Attn: Minerals Regulatory Program 1594 West North Temple, Suite 1210

Salt Lake City, Utah 84114-5801

Phone: (801) 538-5291 Fax: (801) 359-3940 P:\GROUPS\MINERALS\WP\FORMS\Notices\Final\revision_SMO_EXP.doc

Approved:

to \$

Bond Adjustment: from (\$)